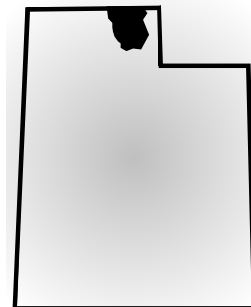


County Trends

December 2002

Cache

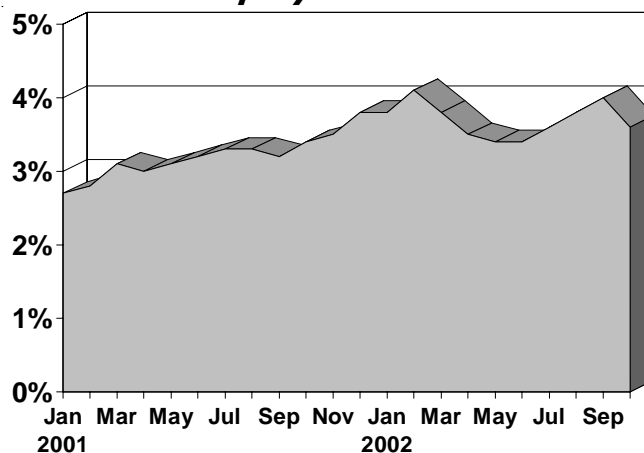


A Local Economic Perspective

Rising Unemployment and Positive Job Growth

Cache County's unemployment rate steadily increased throughout 2001 and the first quarter of 2002. It dipped and increased again in September of 2002. Even with the moderately increasing trend in unemployment, job growth for the last 18 months was positive, except for three months early in 2002. Sales were up, and construction, though showing less activity than in 2001, was not anemic through the first half of 2002.

Seasonally Adjusted Cache County Unemployment Rates



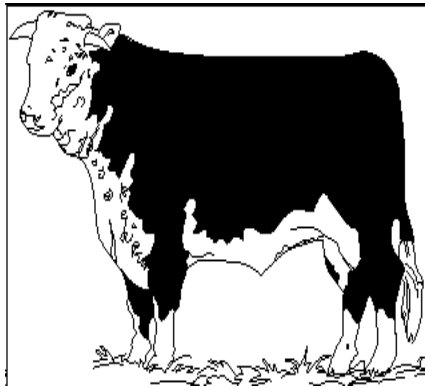
Source: Utah Department of Workforce Services.

Unemployment Creeping Upward but Job Growth Still in the Black

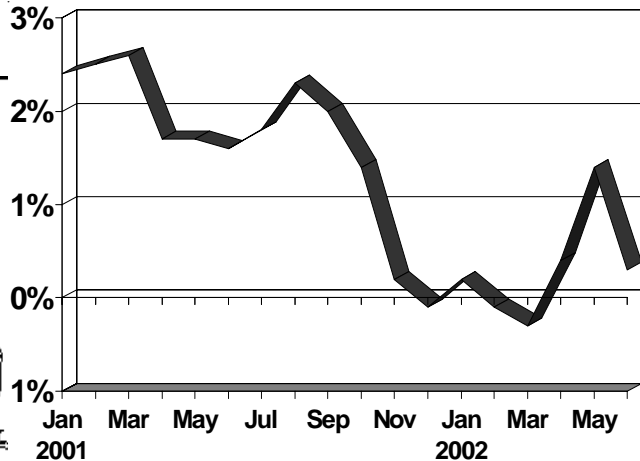
Unemployment has stayed pretty much in the 3 to 4 percent range over the last year and a half. It touched 4 percent just briefly in February and September (see chart). In numbers of unemployed, the range is from 1,200 to about 1,800 idled workers. Utah's rate is in the 5 to 6 percent range.

The first quarter of 2002 experienced a slight decline in year-over employment growth. This was more than offset by a meager, but positive, 0.7 percent rate of growth in the second quarter. First quarter 2002, compared with that of 2001, lost 30 jobs but during the second quarter over 300 were created. Job creation was, however, not evenly distributed across all industries.





Year-Over Change in Cache County Employment



Source: Utah Department of Workforce Services.

To the Point

Cache County's economy is strong, even in light of the slowly rising unemployment rate. Economic growth, as evidenced by the increased employment, is positive and steady. Other counties, those loosing jobs, envy Cache's positive employment growth.

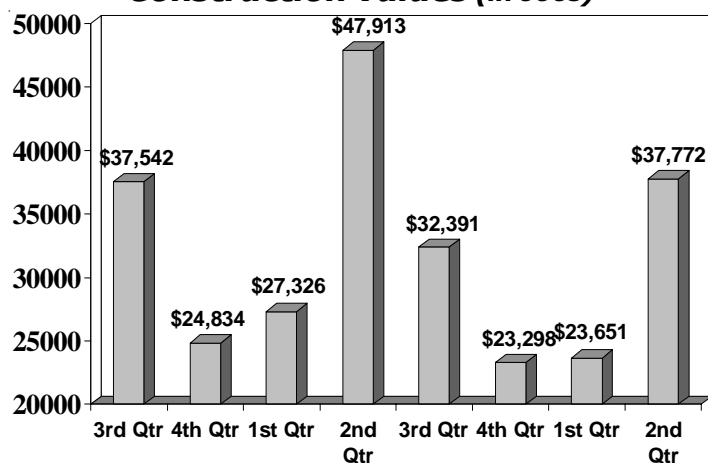
The 300 job growth is a net amount. Actually, the goods producing industries of mining, construction, and manufacturing showed 340 fewer jobs compared with the second quarter of 2001. All of this loss was in manufacturing. Construction actually added about 50 jobs.

On the plus side, the service producing sectors of finance, professional and technical business services, health care, and local government all contributed employment gains of at least 100 jobs between the second quarter of 2001 and 2002. Some service-producing sectors lost jobs in the year-over period. These included retail trade (-100), transportation and warehousing (-100), miscellaneous business services (-140), and state government (-270).

Construction - Valuations Down in both First and Second Quarter of 2002

Valuation of construction activity was down 14 percent and 21 percent respectively for first and second quarters of 2002. This doesn't mean, however, that there was little construction activity. In fact, nearly \$24 million in construction valuation was set for first quarter, and about \$38 million for second quarter. The numbers for 2002 appear low because last year

Total Cache County Approved Construction Values (in 000s)



2000

2001

2002

Source: Utah Bureau of Economic & Business Research.

(2001) there was higher activity in apartments, condos, and commercial construction. Current economic activity, or the lack thereof, is contributing to construction activity circling in an economic holding pattern, waiting for the clouds to clear and the market to improve.

Sales Up in both First and Second Quarter

Year-over growth in taxable sales during the first half of 2002 was up a healthy 7.7 percent compared with the first half of 2001. First quarter sales grew by 8.8 percent followed by a 6.6 percent rise for the second quarter. Most of the activity in sales occurred in retail trade, which accounts for about 60 percent of the total. Even with the state and national economy in the doldrums, Cache County residents are still out there spending and consuming.

John Mathews, Regional Economist
johnmathews@utah.gov, 801-526-9467



Quick Facts

October 2002

Unemployment Rate

Cache County	3.6%
Utah	5.1%
U.S.	5.7%

June 2002 Change from Previous Year

Job Growth

Cache County	0.3%
Utah	-1.3%
U.S.	-1.1%

2nd Qtr 2002 Change from Previous Year

Construction Values

Cache County	-21.2%
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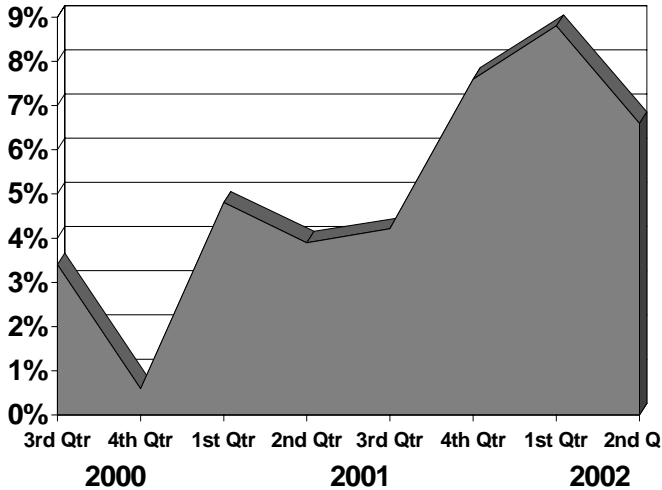
Sales

Cache County	6.6%
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Source: Utah Dept of Workforce Services,
 Bureau of Labor Statistics,
 Utah Tax Commission,
 Bureau of Econ & Business Research.

For more economic information about Cache County see:
<http://jobs.utah.gov/wi/Regions/northern/cache/cache2.asp>

Year-Over Change in Cache County Gross Taxable Sales



Source: Utah Tax Commission.

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.

What's Up? ⁴

- Construction is underway for the new jail and sheriff's complex. The new facility will have 300 beds and relieve pressure on existing facilities.
- Utah State University broke ground for a new \$7.5 million Poisonous Plant Research Lab. The world's first research facility of its kind.
- Plans to develop Powder Mountain have been put on hold after developers Brent Ferrin and Associates pulled the plug in Weber County.

For more economic events, see:

<http://jobs.utah.gov/wi/Regions/northern/cache/cacheeee.pdf>



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Equal Opportunity Employment Program

Auxiliary aids and services are available upon request to individuals with disabilities. Call (801) 526-9240. Individuals with speech and/or hearing impairments may call the state relay at 1-800-346-4128



Utah Department of Workforce Services

(801) 526-9786
jobs.utah.gov/wi
jkramer@utah.gov
PO Box 45249
Salt Lake City, UT 84145-0249